

Message Text

PAGE 01 JIDDA 05637 221404Z

60

ACTION SS-30

INFO OCT-01 ISO-00 /031 W

----- 079544

R 221311Z DEC 73

FM AMEMBASSY JIDDA

TO SECSTATE WASHDC 5725

AMCONSUL DHAHRAN

S E C R E T JIDDA 5637

EXDIS

EO 11652: GDS

TAGS: ENRG, SA

SUBJECT: NEW AGREEMENT BETWEEN SAUDI ARABIA AND ARAMCO

REF: JIDDA 5601

1. AHMAD ZAKI YAMANI, MINISTER OF PETROLEUM, INFORMED THE AMBASSADOR DECEMBER 21 THAT ARAMCO HAD FINALLY DECIDED TO MAKE A NEW OFFER TO THE SAUDI ARABIAN GOVERNMENT. IT WILL ENTAIL TURNING OVER THE COMPANY TO THE SAUDI GOVERNMENT AND WILL INCLUDE COMPLICATED ARRANGEMENTS FOR INSURING AMERICAN COMPANY PRESENCE AND AMERICAN ACCESS TO THE OIL FOR "A LONG TIME TO COME." THE MINISTER SAID THAT HE WAS DELIGHTED WITH THIS DEVELOPMENT BUT HE HAD INFORMED ONLY TWO PEOPLE OF IT, THE KING AND THE AMBASSADOR. HE URGED THAT THE INFORMATION BE HANDLED ACCORDINGLY. HE SAID THAT IF KUWAIT LEARNED OF IT THE GOK WOULD NATIONALIZE THE KUWAIT OIL COMPANY IMMEDIATELY. THIS WOULD NOT SERVE AMERICAN INTERESTS, HE SAID, AND SAUDI ARABIA WOULD THEN HAVE TO FOLLOW THE SAME ROUTE. HE SAID HE DID NOT WISH THIS TO HAPPEN.

2. MINISTER YAMANI SAID HE HAD URGED THE COMPANIES NOT TO SEND A LOW-LEVEL NEGOTIATING TEAM TO RIYADH BUT TO SEND SOMEBODY WITH POWER TO NEGOTIATE ON THE SPOT. HE HAD SOME INDICATION THAT THIS WOULD BE DONE.

SECRET

PAGE 02 JIDDA 05637 221404Z

3. HE SAID HE HOPED THE COMPANIES WOULD HAVE THE GOOD SENSE TO SEND TAVOLAREAS OF MOBIL AS THE TEAM'S HEAD. HE SAID HE HAD THE HIGHEST REGARD FOR TAVOLAREAS' INTEGRITY AND INTELLIGENCE AND IF HE COMES "THERE'S

NO DOUBT THAT THE BEST ARRANGEMENT FOR BOTH SIDES
WILL BE MADE." HE ASKED IF THE AMBASSADOR MIGHT BE
ABLE TO ARRANGE THIS.

4. THE AMBASSADOR SAID THAT HE WOULD SUGGEST THAT
THE DEPARTMENT PASS HIS VIEWS DISCRETELY TO TAVOLAREAS,
BUT HE THOUGHT IT WAS UNLIKELY THAT THE OTHER COMPANIES,
WITH 90 PERCENT OF ARAMCO'S EQUITY, WOULD ALLOW THE
MINOR PARTNER, MOBIL, TO NEGOTIATE ON THEIR BEHALF.

5. MINISTER YAMANI SAID HE THOUGHT THIS WAS TRUE,
BUT HE COULD ALSO WORK WITH JAMISON OF EXXON. HE
SAID HE HOPED THE COMPANIES WOULD NOT BE SO FOOLISH
AS TO SEND EITHER THE TEXACO OR SOCAL CHIEFS, AS
"EITHER WOULD GUARANTEE A CLASH."
AKINS

SECRET

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: Z
Capture Date: 10 MAY 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, PETROLEUM, FOREIGN RELATIONS, NEGOTIATIONS, POLITICAL SITUATION
Control Number: n/a
Copy: SINGLE
Draft Date: 22 DEC 1973
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973JIDDA05637
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: P750032-2355
From: JIDDA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731256/abqcefjo.tel
Line Count: 73
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ACTION SS
Original Classification: SECRET
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: SECRET
Previous Handling Restrictions: EXDIS
Reference: JIDDA 5601
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 03 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03-Jan-2002 by boyleja>; APPROVED <15-Jan-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: NEW AGREEMENT BETWEEN SAUDI ARABIA AND ARAMCO
TAGS: ENRG, SA, KU, ARAMCO, (YAMANI, AHMAD ZAKI)
To: STATE
DHAHRAN
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005